GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1044
ANSWERED ON:06.03.2007
FINANCIAL RELIEF TO SICK INDUSTRIAL UNITS
Reddy Shri Karunakara G.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has made several announcements for providing financial relief to sick industrial units during the last two years ;

(b) if so, the total amount provided under each announcement during the said period; and

(c) the names of institutions which were given relief and the amount provided to each of them till date ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR)

(a)to(c) : Besides providing a policy regime that facilitates and fosters growth and development of industries, including stepping up credit and debt restructuring mechanism for the benefit of Small and Medium Enterprise (SME) units, steps taken for revival of sick industrial units, inter-alia, include setting up of Board of Industrial and Financial Reconstruction (BIFR) and issue of guidelines by Reserve Bank of India to banks for financial support and amalgamation of sick units with healthy units. Wherever feasible rehabilitation schemes are sanctioned for the revival of the units registered with the BIFR which, inter alia, include restructuring of the capital, induction of fresh funds by the promoters, Government assistance for public sector units, merger with other companies, relief and concessions in the form of rescheduling of dues by Financial Institutions, banks and Government and change of management.